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IN THE

SUPREME COURT OF THE UNITED STATES

October Term, 1932.

No. 565

PHILIP HURN and PERCY MORGAN, JR.,
Petitioners

v.

FULTON OURSLER, LOWELL BRENTANO, ALBERT LEWIS and SAM H. HARRIS,
Respondents

BRIEF IN OPPOSITION TO PETITION FOR A WRIT OF CERTIORARI.

EMILY HOLT,

PAUL N. TURNER,
Attorney for the Respondent Lowell Brentano.

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IN THE

SUPREME COURT OF THE UNITED STATES

October Term, 1932.

No.

PHILIP HURN and PERCY MORGAN, JR.,
Petitioners-Appellants,

against

FULTON OURSLER, LOWELL BRENTANO, ALBERT LEWIS and SAM H. HARRIS,
Respondents.

BRIEF OF LOWELL BRENTANO IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI.

The Honorable Chief Justice and the Associated Justices of the Supreme Court of the United States:

This is a petition for a Writ of Certiorari to review an order of the United States Circuit Court of Appeals for the Second Circuit, entered on November 14, 1932, which affirmed a decree of the United States District Court for the Southern District of New York dismissing the Bill of Complaint on the merits.

Summary and Short Statement of the Matter Involved.

Petitioners, asserting authorship of the play, "The Evil Hour", duly copyrighted, allege that defendants, authors and producers of the play, "The Spider", have infringed their rights.

Outside of allegations in the bill of complaint relating to infringement, and that the effect of such infringement was to cause plaintiff's play to become stale and lose value as an original play, the only other allegations (excluding formalities) are as follows:

> "*Eighth.* That the said defendants, Oursler and Brentano, have represented themselves to be, and have continuously and falsely represented themselves to be the authors and originators of the said play entitled "The Spider" as now produced and exhibited by them with full knowledge of the fact that they had appropriated, pirated and plagiarized the same from the aforesaid play of complainants entitled "The Evil Hour". (Record, Pg. 19.)

> "*Fifteenth.* That the wrongful acts of the said defendants *as hereinabove set forth* (italics ours) are wrongful and continuing, and have all taken place in the City of New York and within the jurisdiction of the Southern District of New York and are in violation of the rights of the complainants herein at common law and in equity, and constitute unfair business practices and unfair competition against the complainants herein, as well as of the copyright laws of the United States, (Record, Pg. 24.)

The trial court found that the defendants Oursler and Brentano were the authors of "The Spider" (Record Pg. 28) and

> "9. That no version of the defendants' play "The Spider" infringed in any way, either with respect to plot, material, arrangement or sequence of events, or incidents, or otherwise, the plaintiff's copyrighted play, "The Evil Hour," in contravention of the Copyright Law of the United States." (Record, Pg. 29.)

After finding as a conclusion of law that the complaint should be dismissed on the merits, the trial court further found:

> "1. That in view of the conclusion reached by the Court of lack of copyright infringement, this Court is without jurisdiction to entertain the allegations in paragraph Fifteenth of the Complaint as amended, and to admit in evidence any proof thereof, in so far as they are based upon claims other than a claim of violation of the Copyright Law of the United States". (Record, Pgs. 29-30.)

No appeal has been taken by petitioners from the finding of no infringement. (Record, Pg. 35).

ARGUMENT.

POINT I.

The lack of copyright infringement having been found as a fact, there are no allegations in the complaint which would afford a basis for the Court assuming jurisdiction of a claim of unfair competition.

On page 2 of their brief, petitioners say that there is involved a single question of law,—that is, whether, when

a copyright has been held to be valid but not infringed, and there is no diversity of citizenship, the court will pass upon the question of unfair competition.

Petitioners are mistaken.

The question under consideration was and is whether the trial judge, in petitioners' case *as stated in their complaint*, found facts sufficient to give the court jurisdiction on the question of unfair competition once he had decided that there was no infringement and the allegations relating to infringement were eliminated from consideration.

The issue raised here is not symbolic but concrete, and it arises out of the particular facts disclosed to the Court in the complaint of the petitioners.

Examining this complaint we find that with the direct and derivative allegations of infringement eliminated there is not *even a scintilla of allegation* upon which to introduce evidence of unfair competition.

This is apparent from mere inspection and needs no argument.

This court will note that paragraph Fifteenth of the Amended Complaint refers to the alleged wrongful acts of the defendant "*as hereinabove set forth*" and then adds that they constitute unfair business practices. But nothing is "hereinabove set forth" which by any stretch of the imagination could be said to constitute unfair practices there being no infringement.

And petitioners in their argument have failed to point out a single allegation (outside of the allegation of infringement) which might constitute unfair practices or competition.

Certainly this court is not going to entertain an appeal on a point which does not appear in the pleadings.

Furthermore and along the same line of thought,—

POINT II.

The allowance of this appeal would permit the raising of a purely abstract question. The only facts alleged in the complaint bearing upon the question of unfair competition have been forever eliminated by the finding of no infringement. It is therefore apparent that allowing a consideration by the Trial Court of an alleged claim of unfair competition would be a useless formality.

The Circuit Court of Appeals evidently had this point in mind when it cited the case of *Standard Paint Company* v. *Trinidad Asphalt Co.*, 220 U. S. 446.

In this case complainants owned the alleged trademark "Ruberoid" and claimed that the defendant trademark "Rubber-o" infringed. There was diversity of citizenship and also a claim of unfair competition. This Court held that "Ruberoid" was not a valid trademark but proceeded to consider the question of unfair competition because of diversity of citizenship.

But the only basis in the case for the claim of unfair competition was the use of the trademark "Rubber-o" and this Court held that by virtue of a claim of unfair competition plaintiff could not get relief which had been refused to it because of its ownership of the trade mark.

This Court said, at page 461:

> "The only imitation by the Asphalt Company of the roofing of the Paint Company is that which exists in the use of the word 'Rubber-o'. To preclude its use because of such resemblance would be to give to the word 'Ruberoid' the full effect of a trade mark while denying its validity as such."

In the case at bar, as we have seen, there are no allegations which could be considered under the head of unfair

competition except those which relate to infringement, and as the question of infringement has been eliminated and decided against the petitioners and they have not appealed from the decision on this point, it is quite apparent that if a new trial were had in this case, petitioners would come into Court with empty hands and the trial would be a useless formality.

POINT III.

There is no conflict of authority as to the precise question involved in this case.

No case appears to have arisen where a claim of unfair competition has been coupled with a claim of copyright infringement.

No case of this kind has been cited by the petitioners. The reason is obvious.

It is difficult, in fact practically impossible, to imagine such a case. If in a copyright case there is infringement, all of complainants damages flow out of such infringement. On the contrary if there is no infringement it is, from a practical standpoint, difficult to imagine anything that could happen which *could be* called unfair competition.

Non infringing authors have never been known to try to palm off their brain children as those of some one else.

This is one sound reason, when we consider this case concretely and do not revel in generalities, that decisions in trade mark cases should be critically viewed. For while there are analogies between trade mark and copyright cases yet when it comes to considering them in relation to a claim of unfair competition, they are widely different.

In the case of alleged trade mark infringements it often happens that while for technical reasons a registered trade mark may not be considered infringed, yet

in giving proof of alleged infringement it appears that the form, color get-up, ornamentation, etc. of the articles sold by the defendant create a false impression to the public and present all of the elements of unfair competition, and it is in such cases only that, where the pleadings are appropriate, the Court has retained jurisdiction to give the plaintiff a remedy.

But in examining the bill of complaint in this case it is apparent that considering the actual situation there is not such analogy between this case and trade mark cases as to cause this Court to hold that there is a diversity of opinion among the Circuit Courts of this country regarding the issues in this case.

POINT IV.

The Petitioners throughout their brief complain because the Trial Court failed to determine the question of unfair competition *on the identical facts* adduced by them to sustain infringement, yet they have wholly failed to present to this Court any suggestion as to how, if there is no infringement, the same facts may show unfair competition.

Again we point out this case should deal with actual facts and not generalities.

It is obviously the duty of the petitioners to point out to this Court, how, under the facts alleged by them in relation to infringement, they propose to make out a claim of unfair competition, their claim of infringement having been disallowed.

POINT V.

The cases cited by Petitioners are not in point.

An analysis of the cases cited by the petitioners will show that they fall into three general classes;—class

one, cases like *Moore* v. *New York Cotton Exchange*, 270 U. S. 593, where the claims of the respective parties are so intertwined that judgment is necessary to give complete relief; class two, cases like *Siler* v. *Louisville & Nashville Railway Co.*, 213 U. S. 175, where constitutional questions are involved; and class three, cases like *Vogue Company* v. *Vogue Hat Company*, 12 Fed. (2d) 991, *Detroit Show Case Co.* v. *Kawneer*, 250 F. R. 234, and *United States Eastern Bolt Co.* v. *Kroncke*, 234 F. R. 868, where the proof of infringement is also proof of unfair competition, and such unfair competition having been specially pleaded, substantial justice requires the allowance of damages to cover it.

Upon the record before us, already referred to in previous points, it is respectfully submitted that none of these cases are controlling upon the points to be considered on this application.

POINT VI.

As in this case the Bill of Complaint does not disclose facts showing unfair competition and no public interest is involved and under the Bill of Complaint no question is presented regarding which the Circuit Courts disagree, this petition should not be granted.

Respectfully submitted,

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